

THE PEOPLE'S COMMITTEE  
OF HO CHI MINH CITY

THE GOVERNMENT SOCIALIST REPUBLIC OF VIETNAM  
Independence – Freedom – Happiness

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No. 21/2001/QD-UB

Ho Chi Minh City, March 6, 2001

DECISION OF THE CHAIRMAN  
OF THE CITY PEOPLE'S COMMITTEE

**Regarding a number of preferential policies and measures for encouraging  
investments in Quang Trung Software Park**

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THE CHAIRMAN OF THE PEOPLE'S COMMITTEE  
OF HO CHI MINH CITY

- Pursuant to the Law on the Organization of the People's Councils and People's Committees dated June 21, 1994;
- Pursuant to Resolution No. 07/2000/NQ-CP dated June 5, 2000 of the Government on the Building and Development of Software Technology for the Period of 2000-2005;
- Pursuant to Decision No. 128/2000/QD-TTg dated November 20, 2000 of the Prime Minister of the Government on a Number of Policies and Measures for Encouraging Investments in, and Development of, Software Technology;
- Pursuant to Decree No. 38/2000/ND-CP dated August 23, 2000 of the Prime Minister of the Government on the Collection of Land Use Payment; [and]
- Pursuant to Decision No. 189/2000/QD-BTC dated November 24, 2000 of the Minister of the Ministry of Finance Setting Forth the Schedule of Land Rental Prices Applicable to Organizations to Which the State Leases Land;

**DECIDES**

**>> Article 1: Regarding the Subjects and Scope of Application of the Preferential Policies and Measures for Encouraging Investments::**

This Decision setting forth a number of preferential policies and measures for encouraging domestic and foreign economic organizations, social organizations [and] individuals (hereinafter referred to as investors) to invest in the Quang Trung Software Park (the "QTSP").

An investor may decide by itself on an investment project in the Quang Trung Software Park that is suitable to its capability, including in the following fields:

- Scientific research [and/or] personnel training for the information technology industry;
- Production of software products for domestic demand and for export; [and]
- Construction of buildings for use or lease out as facilities for scientific research [and/or] personnel training for the information technology industry, production of software, [and/or] provision of services to those working in the QTSP.

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**>> Article 2. Regarding the Prices for Land Allocation and Land Rental Prices (Adequate Transportation Infrastructure, Electricity, Water and Telecommunication Facilities Are Already In Place):**

1. With respect to a domestic investor, when it makes an investment and is in need of using land for constructing its project, it is entitled to choose either of the two following forms:

a. The investor may be allocated land for a long-term and stable use, and shall submit a land use payment once in full in an amount equal to US\$15/m<sup>2</sup> and an annual technical infrastructure maintenance charge in an amount equal to US\$0.15/m<sup>2</sup>/year; [or]

b. The investor may lease land at an annual land rental price equal to US\$0.4/m<sup>2</sup> and an annual technical infrastructure maintenance charge equal to 0.15USD/m<sup>2</sup>/year. The maximum land lease term is 50 years; upon expiry of the land lease term, an extension thereof will be granted if the investor so requests.

2. With respect to a foreign investor, when it makes an investment and is in need of using land for constructing its project, it may lease land at the same land rental price and land lease term as in the case of domestic investors as stipulated in point b, clause 1, Article 2 of this Decision.

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**>> Article 3. The Submission of Land Use Payment, Land Rent and Technical Infrastructure Maintenance Charge Are Stipulated As Follows:**

1. Submission of land use payment: If an investor chooses the form of land allocation, it has to submit once in full the land use payment to the Tax Department of the City prior to its receipt of the decision on land allocation from the competent authority pursuant to the notice of the Land-Cadastral Department regarding the decision on land allocation has been issued. If the investor fails to submit the land use payment, within a period of 30 days, at the maximum, from the date of receipt of the notice of the Land and Cadastral Department concerning the decision on land allocation has been issued, the competent authority will revoke the decision on land allocation unconditionally.

2. Payment of land rent: If the investor chooses the form of land lease, it has to pay the annual land rent to the Tax Department of the City starting from the date of signing a land lease contract with the Land-Cadastral Department of the City in accordance with the decision on land lease of the competent authority. Land lease rent is paid every six months in an amount equal to 50% of the annual land rent. The land rent shall remain unchanged for a period of 5 years; after the [above] five-year period, if the Government makes an adjustment to increase the land rent, the [extra] amount of land rent that the investor will have to pay will not exceed 15% of the amount of land rent under the contract signed at the time of the land lease.

3. Payment of the technical infrastructure maintenance charge: The technical infrastructure in the QTSP includes transportation systems, water drainage, waste treatment, parks, etc., managed by the Quang Trung Software Park Development Company, for common use by the investors therein. Investors who use land or buildings therein must pay the technical infrastructure maintenance charge in an amount equal to US\$0.15/m<sup>2</sup>/year for the entirety of the land area or building area in use. This annual technical infrastructure maintenance charge shall be paid to the Quang Trung Software Park Development Company every six months in an amount equal to 50% [of the annual amount].

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#### **>> Article 4. Regarding Rental Prices for Leasing Buildings for Working, Production, Training and Service Purposes:**

With respect to the existing working building blocks managed by the Quang Trung Software Park Development Company (which have been repaired and/or upgraded and equipped with electricity, water, air conditioners and Internet lines), the rental price is US\$2/m<sup>2</sup>/month.

With respect to a building block invested by an investor using a capital source not originating from the State budget, the investor can decide by itself on the rental price therefor.

#### **>> Article 5: Regarding Electricity and Water Prices**

1. Electricity price: is charged at the electricity sale price for industrial production applicable in the geographical area of the City.

2. Water price: is charged at the water sale price for administrative agencies applicable in the geographical area of the City.

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**>> Article 6:Regarding the Provision of One-Door Service**

The Quang Trung Software Park Development Company is responsible for providing free of charge assistance to investors on enterprise establishment, investment licenses, import and export services, formalities for land allocation or lease, construction permits, multiple entry and exit visas, visa extension, and some other assistance on the administrative formalities directly relating to activities in the QTSP.

**>> Article 7:Regarding the Preferences to Investors Who Have Registered First**

The ten investors who have registered first to operate in the QTSP (8 of which are production units and 2 of which are training units) are entitled to enjoy the following additional preferences: exemption from building rent for the first 12 months from the opening date of the QTSP (the average area per head count shall not exceed 5m<sup>2</sup>/person and exemption for 200m<sup>2</sup>, at the maximum, for a unit). If a unit that enjoys the above preferences fails to proceed with its operations within a period of 3 months, the unused area will be taken back unconditionally.

**>> Article 7:Entry Into Force for Implementation**

- This Decision enters into force after 15 days from the date it is signed.
- The Chief of Office of the People's Committee, Directors of relevant Departments, Offices and Branches, Chairman of the People's Committee of District 12, Director of the QTSP Development Company and investors in the QTSP are responsible for implementing this Decision.

ON BEHALF OF THE CITY  
PEOPLE'S COMMITTEE

**[Singed and sealed by]  
Mr. Vo Viet Thanh**

***Recipients:***

- *Same as stated in Article 8;- Office of the Government;*
- *Ministry of Science, Technology and the Environment;*
- *Standing Committee of the Party Chapter of the City;*
- *Standing Committee of the People's Council of the City;*
- *Standing Committee of the People's Committee of the City: Chairman and Vice Chairmen*
- *Office of the People's Committee, Sub-Offices;*

*- Investment, Project and CNN Group; and*

*- Archived at: the CNN.*